

March 9, 2009

FOR IMMEDIATE RELEASE

**(Washington, DC)** Chairman Luis V. Gutierrez has announced that the Financial Services' Subcommittee on Financial Institutions and Consumer Credit will hold a hearing entitled "Mortgage Lending Reform: A Comprehensive Review of the American Mortgage System," at 2:30 p.m. on Wednesday, March 11, 2009, in room 2128 Rayburn House Office Building.

The hearing will focus on the current state of the U.S. mortgage system with an eye toward comprehensive mortgage reform legislation that the Financial Services Committee is expected to take up later this month. The subcommittee will be asking witnesses from regulatory agencies, consumer groups and the mortgage industry to recommend changes to the "Mortgage Reform and Anti-Predatory Lending Act of 2007 (H.R. 3915)," from the 110th Congress. H.R. 3915, which was passed by the House of Representatives on November 15, 2007, but was not supported by the Bush Administration and was not taken up by the Senate, will be used as the starting point for this year's mortgage reform bill.

<b>What:</b>
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Financial Institutions Subcommittee Hearing: "Mortgage Lending Reform: A Comprehensive Review of t
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<b>When:</b>
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Wednesday, March 11, 2009, 2:30 p.m.
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<b>Where:</b>
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2128 Rayburn House Office Building
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"The Financial Services Committee continues to take the lead in establishing a national standard to rein in the abusive lending practices that contributed to the current mortgage crisis

and our overall economic problems,” said Rep. Gutierrez. “I am disappointed that the White House and the Senate did not share our sense of urgency in 2007 when the House first passed historic mortgage reform legislation. But I am confident that new leadership in the White House will help us move this year’s version of mortgage lending reform quickly through both chambers and make sure that, as a nation, we never find ourselves in this situation again.”

Although one popular provision from the original H.R. 3915 —creating a nationwide licensing and registration system for residential mortgage brokers— was signed into law as part of separate legislation, many important consumer protection provisions from the 2007 bill were not codified. These provisions include: enhanced mortgage disclosures; tougher penalties for originators who “steer” borrowers in to higher-priced loans; requiring mortgage originators to ensure that a borrower has a reasonable ability to repay the loan and, in the case of refinancing, will receive a tangible net benefit from the loan; establishing a national standard for assignee and securitizer liability and providing enhanced consumer protections that will subject Wall Street firms to liability if they buy, sell and securitize loans that consumers cannot repay; and providing protections for renters who are forced to leave foreclosed properties through no fault of their own.

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